

SCRIPTOPHILY

MARCH 2009

No.79



Inside: Collecting specimen securities of American printers

SCRIPOPHILY

... encouraging collecting since 1978

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The journal of the
INTERNATIONAL BOND & SHARE SOCIETY

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Advertising rates

One-sixth page: £30
Larger sizes: pro rata
Cover pages }
Artwork } prices on application

Opinions expressed by the editors and by contributors are not necessarily those of the Society.

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ISSN 1462-8074
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IBSS BREAKFAST GOES DOWN WELL

The Annual US Chapter IBSS breakfast was held Saturday morning January 31, 2009, in conjunction with the Northern Virginia Stock and Bond Show. The keynote speaker was Jörg Benecke, who provided thought-provoking comments on the economic crisis and scripophily in Europe. His stimulating talk left my table debating economics until long after the pancakes had gotten cold, starting with the social utility of cranberry juice futures (none, according to Jörg). The Society thanks Jörg for his contribution. The number of attendees was about the same as last year (50).

You may have heard that the German Reichsbank hoard contained some US material. Jörg informed us to our disappointment that it amounts to only about 1 banker box, mostly 1920s and 30s commodity items with only a few unusual certificates. The paucity of material was thought to have resulted from the US confiscation of German assets during World War I (thereby making certificates held in Germany before WWI worthless afterwards) and the capital starvation in Germany during the Weimar Republic and Great Depression. Anyway the German bureaucracy is fully mobilized to debate the fate of this box and should produce a very deliberate decision many years in the future.

Gary Eubanks brought some copies of his book on *Georgia Railroad Paper* and offered signed copies to attendees at a special members-only price.

The annual free lottery for the \$100 prize was delayed briefly while we attempted to emulate the (perhaps mythical) practice of the Mexican State lottery in using a virgin to pull the winning entry, but failed to identify anyone suitable for the task. The process, despite its flaws, produced a winner in Sam Withers. Sam later graciously donated his winnings back to the IBSS general fund.

Mario Boone, outgoing Chairman of the IBSS, noted that elections for Chairman are in March and that Andreas Reineke had been nominated. He invited anyone else interested in the post to submit nominations. Mario has spearheaded the IBSS revival over the last few years. He deserves a hearty round of congratulations for this great effort.

Max Hensley, Chief Editor, invited members to share their interests by contributing articles or news items to *Scripophily*, singling out Bob Greenawalt for his many contributions to *Scripophily* over the years. He also mentioned the large number of offers Dave Beach got to buy his United States Guano Co certificate featured in the last issue's *Collector's Showcase*, suggesting that advertisers should take advantage of the magazine's inexpensive rates to offer specific high-end items for sale.



The breakfast was free to members and at-cost to guests or visitors. Quite a few people took the opportunity to renew their membership or join – one year of membership cost only \$8 more than the breakfast!

*From left to right:
Andreas Reineke, Matthias Schmitt,
Volker Malik, Manuela Benecke,
Jörg Benecke, Mario Boone*

At the Boone reception



In foreground, left to right - Gérard Lemarchand, Régis Jorand and Mme Lemarchand



In foreground, left to right - Reinhild Tschöpe, Rüdiger Weng and Udo Hielscher

HANS-JOACHIM WEBER

We consider it our sad duty to report the death of Hans-Joachim Weber (62).

After a four-week hospital stay he passed away in the early morning of March 24th 2009.

Weber, a professional scripophily dealer since 1977, was a well-regarded visitor at all auctions and collector shows throughout Europe. We offer our condolences to his wife, family and friends.

WEEKEND OF SCRIPOPHILY IN ANTWERP

This three-day event, March 20-22, now an annual fixture, centred this time on the 25th Jubilee of Centrum voor Scriptophilie, founded in 1984 by the well known and respected Erik Boone who sadly died 10 years ago, passing his business to his son. Mario Boone presented this year's event as a Silver Jubilee celebration for the business, and as a memorial to his father he included a charity auction for cancer research. The weekend attracted collectors and dealers from all over Europe. Sadly only one American scripophilist visited Antwerp this time. The others missed a lot.

Auction Part I started the first day, and included Russia, always a highlight nowadays, followed by a Silver Jubilee Reception. The subsequent charity auction for the benefit of cancer research consisted of 100 lots at €25 start price, all the auction house's own material. Start prices for those 100 shares (donated by the firm) were all set at €25, reflecting the firm's 25 years of existence rather than the actual value of the pieces, the best of which sold for €650. The bidding was enthusiastic and at times humorous. For one lot, bids began at €77 (the bidder's card number!). All 100 lots were sold, yielding €8,625 with commissions all of which was donated to the Flemish charity Fight against Cancer. A sociable dinner in the auction hotel ended the day.

Saturday, day two, saw auction Part II with 675 lots in the morning and a 500-lot "Best of the Best" auction in the afternoon. Fitting the occasion, the auction total set a world record – see our report in the *Auction Reviews* section. In the evening a busload of scripophilists was taken by the host into the mediaeval centre of Antwerp for a delicious dinner. Rumour has it the bar visit afterwards in the hotel ended at 3 in the morning.

Sunday started with the IBSS European Breakfast at the hotel with 50 seats taken. Mario Boone, coming to the end of his term as IBSS Chairman, welcomed the members and friends and introduced the authors of three new books on scripophily. Alex Witula, well known dealer and auctioneer from Bologna, Italy, introduced his December 2008 edition of *Italian State Loans* and talked about his series of reference books on Italian provinces, three of which have been published so far. Alois Weil, living in Bavaria now, but originally from Arad, Romania, introduced his new book on *Arad's Economic History* exemplified by scripophily. Just as new was the book by Arthur Steppé, a keen Belgian collector – a reference catalogue on *Belgian Navigation Certificates*. The Scripo Club de France held a luncheon meeting for existing and prospective members.

The collectors' show on Sunday – styled by the organiser Europe's biggest scripophily bourse – lived up to its name. Dealers and collectors, local as well as from all over Europe, filled the room. 38 dealers and 'dealing collectors' from 10 countries took tables, with visitors from those regions plus 5 more countries in Europe and America. Many stocks and bonds found new owners, bringing satisfied faces all around – dealers, collectors and the organiser.

Altogether a fantastic weekend for scripophily, marked by the warm welcome and hospitality of Mario Boone and his family, as well as much new material on offer, two society gatherings and a large and very successful auction.

REPORT FROM THE 8th ANNUAL NORTHERN VIRGINIA STOCK AND BOND SHOW

The overall show results: *Scripophily lives!* Judging from the activity at this Show, held at the Crown Plaza Hotel near Dulles Airport, the financial troubles have not yet hit the scripophily world. The number of buyers was similar to last year and they were quite active, falling into two general classes: Auctioneers and Europeans buying large amounts of material for resale, and specialized US collectors searching for that “can’t resist” addition to their collections. By all accounts, both buyer groups were satisfied. If the dealers had any complaints, it was that they bought more than they had intended to. Even Bob Greenawalt came away with a Western railroad stock he didn’t already have!

It is impossible to describe the enormous amount of material for sale here. While I typically only find 1 to 3 things of interest on eBay every week, after two very full days I bought 63 pieces here – and I still didn’t have time to get to all 30 dealers, one more than last year.

Despite the limited geography implied by “northern Virginia” the show is really quite international, with dealers and collectors from Belgium, Germany, UK, Canada, Switzerland and Mexico.

The only complaint I heard was the absence of warnings on holders about fold splits and tears. Tears, unlike stains, file holes and other easily identified defects, are difficult to see without removing a piece from the holder. Not pointing this out to buyers is counterproductive. Either the buyer is dissatisfied upon later discovering the tear or, if the tear is discovered during inspection it is difficult to return the certificate to its holder without aggravating the problem. Splits and tears may not be terribly significant on rare items, but they always have some impact on price.

Younger people were scarce at this show, a fact that stimulated some nervous conversation. Exactly who is going to buy our carefully assembled collections when we all pass on? Some collectors cling to illusions of immortality, some believe they can take it with them, and others are secretly hopeful that their skate-boarding son is going to have a hobby epiphany and take up scripophily. The rest of us think we need to do more to interest younger folks in the hobby. Thoughts included “dog and pony” shows at museums hosting school class visits, public exhibits and teacher lesson plans.

In regards to new blood, one bright spot was new dealer William Harper, by far the youngest dealer at the show. William is a recent MBA school grad now employed as an analyst with CSX Railroad. He already carries an interesting inventory.

Attendees liked Dulles’ inexpensive table fees and hotel rooms, shorter schedule and convenient access, but the intimate-clubby-retreat atmosphere (and the wonderful Smythe auctions) of the old Strasburg, PA, shows are sorely missed. Congratulations to Bob and Judy Schell for a smoothly run event. We are looking forward to next year’s show, January 29 and 30, 2010, where we can once again indulge in our hobby and raise a glass among new and old friends. We understand that the hotel and table rates will remain the same next year. Illustrated are a couple of unusual items that sold at the Show.

Max Hensley

*Highland Mining Co (CA)
signed by Lloyd Tevis,
endorsed on the back by
Tevis as attorney-in-fact for
AB Haggin, famous names in
the development of the great
Homestake Mine in Lead,
S Dakota. Sold to a collector
by Dave Beach for \$160.
The Highland ultimately was
absorbed into the Homestake.
\$348.25 in tax revenue
stamps are on the back,
making the certificate when
issued worth about
\$700,000 in today’s money*



*George LaBarre and unidentified collector at
Ted Robinson’s table*



*North American Edison Phonograph Co, signed by Jessie
Lippincott. Sold to a collector by Bob Kerstein for \$2400.
The story behind this piece can be found on Kerstein’s web
site at www.scripophily.net/noramphoncom.html*

CHIEF EDITOR NABBED FOR RECEIVING STOLEN GOODS

Yes, it's true. In December 2008 your Editor bought on US eBay a proof bond of the Birmingham Furnace and Machinery Co. Three weeks later I received an email from the true owner: Bob Whitten wrote to explain that he kept this bond and about a dozen other Alabama-related securities in a desk drawer in his office. A trusted employee had stolen the collection, selling some to an intermediary who then sold them on eBay and traded others for clothes and jewelry. Most have now been recovered. The unrecovered eBay items and serial number-traceable certificates are listed below. The complete list is on the IBSS website. Bob can be contacted at 118 E. Mobile St. Suite 209, Florence, AL USA 35630, (256)-787-6338, rwhitten@hiwaay.net.

Northern Alabama Railway Co 1895 \$1,000 Bond Specimen
Ensley Southern Railroad Co
Florence Cotton & Iron stock #2097
Florence Wagon Company stocks #1045

One would expect that vintage securities would be unappealing to thieves given their limited market and easy traceability through serial numbers. However, the certificates look impressive and would attract crimes of opportunity. For example, six years ago 150 certificates from my collection disappeared after tradesmen were in my home while it was being preparing for sale. Bob Schell had a full box of specimens go missing two years ago during his move to northern Wisconsin. Obviously, a complete inventory of your collection will be important in aiding recovery, but it would be better if they were never stolen to begin with. I moved my collection to a bank vault.

Max Hensley

PUZZLER

Pictured here is an exact reproduction of one of about 6 engraved and etched steel plates found in the American Bank Note Co archives. The reverse is plain except for the printers "bug" shown enlarged 2:1 in the inset.

The plates depict mastheads and vignettes from various known American Bank Note Co certificates but the dimensions are smaller than on the printed certificates. These plates differ from American Bank Note Co printing plates heretofore on the market. They are on thinner steel stock, are highly polished and substitute the printer's bug on the back for the name of the steel supplier. The purpose of these plates is subject to speculation, but we do know they were not intended for printing paper. The sharp reader(s) who can explain why will be honored in the next issue of *Scripophily*.



Photographs courtesy Stack's

BRAZILIAN STERLING BOND BRINGS BIG PRICE ON EBAY

Page 7 of the last issue of *Scripophily* reported on high prices realized by Brazilian foreign currency bonds. A similar bond to the one imaged in that article (with Dutch revenue stamp instead) recently sold on eBay's US site for \$2,025 on 11 bids by 4 bidders. It is difficult to make much of the bidders because of eBay's now pervasive use of bidder aliases. However, bidding histories suggest they were recent eBay arrivals or have not been particularly active – the winning bidder had 217 prior eBay transactions, the underbidder only 57. The winner's bidding history suggested a US collector with an interest in scripophily and South American stamps.

The sum realized is not bad for a £20 Sterling bond, worth perhaps \$100 at issue. It represents close to a return of principal if we take into account the persistent dollar debasement that has occurred since the bond was issued. Rumors are that these bonds are being used in tax litigation strategies against the Brazilian government, but for now we can only look and marvel.

LETTER TO THE EDITOR

Dear Editor:

Bravo to Terry Cox for his insightful and forthright analysis of the issue of pricing in our hobby ('Cox's Corner #4', *Scripophily* December 2008 page 12). I've been collecting for twelve years, and am still baffled and amazed by some of the prices assigned to old stocks and bonds. I realize dealers need to make a profit, and collectors want to make as much as they can from their collections. I accept that autographs, colorful and unusual designs and vignettes, and popular subjects (such as railroads and mining in the US) will carry premium values. It's much harder to understand high prices on items that may be rare, but have minimal buyer interest.

Terry doesn't mention it, but I suspect that many in our hobby assume that with physical issuance of new marketable certificates expected to end soon, all existing collectible certificates will increase in value. That may happen, but this collector will continue to emphasize eBay, where, as Terry observes, bids and prices are lower. I'm also fully prepared to forgo a desired certificate, or if necessary, leave the hobby altogether, rather than pay absurdly inflated prices that are based on supply but ignore demand.

Craig Scott, USA

BOOK REVIEW

R M Smythe, *Obsolete American Securities and Corporations*
2nd Edition 1911

Download from Google Books at
<http://books.google.com/books?id=SodCAAAAIAAJ>

We might be criticized for procrastinating about this review until a century after publication, but then Google Books just recently made it available on-line.

The download may or may not be available in your country, depending upon the legal situation, but it is available in the US. Copy and paste the above link into your browser's address box, hit "enter" on your keyboard, look for the book cover on left, and if you want to download it, click on the "download PDF" button. You will need a reasonable internet connection....this download is not for dial-up.

The bulk of the book is devoted to a 1,000 page list of every defunct US company known to Roland M Smythe at the publication date. These companies issued shares, but few of them are known to scripophily. For example, there's the Wallis-Lispenard Cotton Picker and Machinery Company dissolved in 1898 (p 1058), today known only from a few specimens. Some defunct companies were shut down by the Post Office, indicating a fraud.

Smythe's ascerbic wit is a delight. For example: "Mining stocks...are the greatest 'performance swindle' in the world....the only thing to be gained by a purchaser of mining stocks is the added interest and excitement in life from holding few dollars' worth of something which may be worth millions in your imagination, if you are careful not to make too many inquiries about it. You cannot make money out of these stocks; but you may make experience on a very small outlay, which will save you heavier losses later in life. As far as I can judge, however....a very large majority of mortals do not learn by experience or by anything else, and those that do generally succeed, and die rich and miserable." (page vi).

Smythe covers failed and repudiated bonds (pp 15-16), including this report on the Peoria, Pekin and Jacksonville Railroad First Mortgage bonds: "There is no money to pay it and claims would have to be based on the court where foreclosure took place... I also heard the courthouse burned down, so what is the use in trying to recover?" He also mentions the Poyais bonds, referring to the issuer as a "regal curiosity."

Smythe covers various outright frauds, including "raised" certificates where a certificate for one share was changed to 100 or 500, and an oil "multiplication" racket where 4 companies drill a single well at the corner where they all join, and if oil is struck *voila!* one has 4 successful companies. Where is Smythe now that we have the SEC?

The book concludes (p 1109 et seq) with another useful feature, the "merged list." Here, Smythe lists the "old company" and adjacent to it the succeeding or controlling company.

Thanks to Google Books for making this curiosity available to the general public.

THE TRAVELER

*I'd like to buy the world a home and furnish it with love,
Grow apple trees and honey bees, and snow white turtle doves.
I'd like to teach the world to sing in perfect harmony,
I'd like to buy the world a Coke and keep it company.*

Somebody save me! This infernal 1969 ditty is still ricocheting around inside my head a week after visiting "The World of Coke". Purists will look down on the **Coca-Cola Company's** museum in Atlanta, Georgia, but we scripophiles are a forgiving lot. We'll tolerate screaming kids, a "4-D" theater with bouncing seats and way too much fun just to get our history fix. And you'll get a lot here, despite the World of Coca-Cola's website (www.worldofcoca-cola.com) overlooking its excellent exhibits on Coke's history. If you ever wondered how to turn fizzy sugar water into a multi-billion dollar worldwide business, you'll get the answers here.

The Museum emphasizes Coke's worldwide marketing innovations, including the famous ad campaigns (my fiancé loves the polar bear series). Did you know that the famous bottle shape was the result of a misunderstanding? The Company wanted a bottle evocative of coca leaves (in the early days, Coke apparently did contain a "certain extract" from coca leaves). The designer misunderstood that to mean "cocoa" and modeled the upper portion of the bottle on a chocolate bean seed pod. I got a kick out of the "free samples" room, with about 60 world-wide varieties of Coke soft drinks on tap. My favorite was a spicy ginger-flavored Tanzanian drink "Stoney Tangawizi".



Gary Eubanks (left) and Billy Schroer admire a stock certificate

Last but not least, the museum contains an original stock certificate of the **Pemberton Chemical Company of Atlanta**, the closely-held predecessor to the Coca-Cola Company that first developed druggist and founder John Pemberton's products. Oddly, none of the guides for Coke memorabilia collectors in the museum gift shop mention stock certificates.

Explore the past with Coke, or you can find a guide in your fellow collectors. When you're away from home, why not go to your IBSS Directory and contact a local member for a visit? The last issue of *Scripophily* reviewed *Georgia Railroad Paper* by Gary Eubanks. The Traveler took the opportunity to pay him a visit in Marietta, Georgia, about 30 miles north of Atlanta.

Gary is an attorney in his second career as commercial property manager. He got his start in scripophily after receiving a gift of a framed certificate 10 years ago, and has since specialized in Georgia rails before about 1900. He estimates that about 137 railroads operated in Georgia in that period, and has obtained certificates, bonds and paper scrip for about half of them. He observes that his acquisitions are fewer now, but the thrill is greater for each find. I asked him what motivated him to write his book. He replied, "Some day my collection is going to be dispersed. None of my kids is interested. I thought it was a good idea to ensure there's a record of all the work I've done in assembling and studying it". Gary continues to share in other ways, giving lectures on scripophily at the local library and to civic groups. His knowledge of Georgia railroads is encyclopedic.

Gary and the Traveler were treated to lunch by another local collector, Billy Schroer. He met Gary at a Rotary Club meeting where they stumbled onto their common interest. They now actively collaborate and share their collecting pursuits. Billy and Gary kindly offered items for Collectors Showcase, shown on the next pages. The Traveler is grateful to both for sharing their collections.



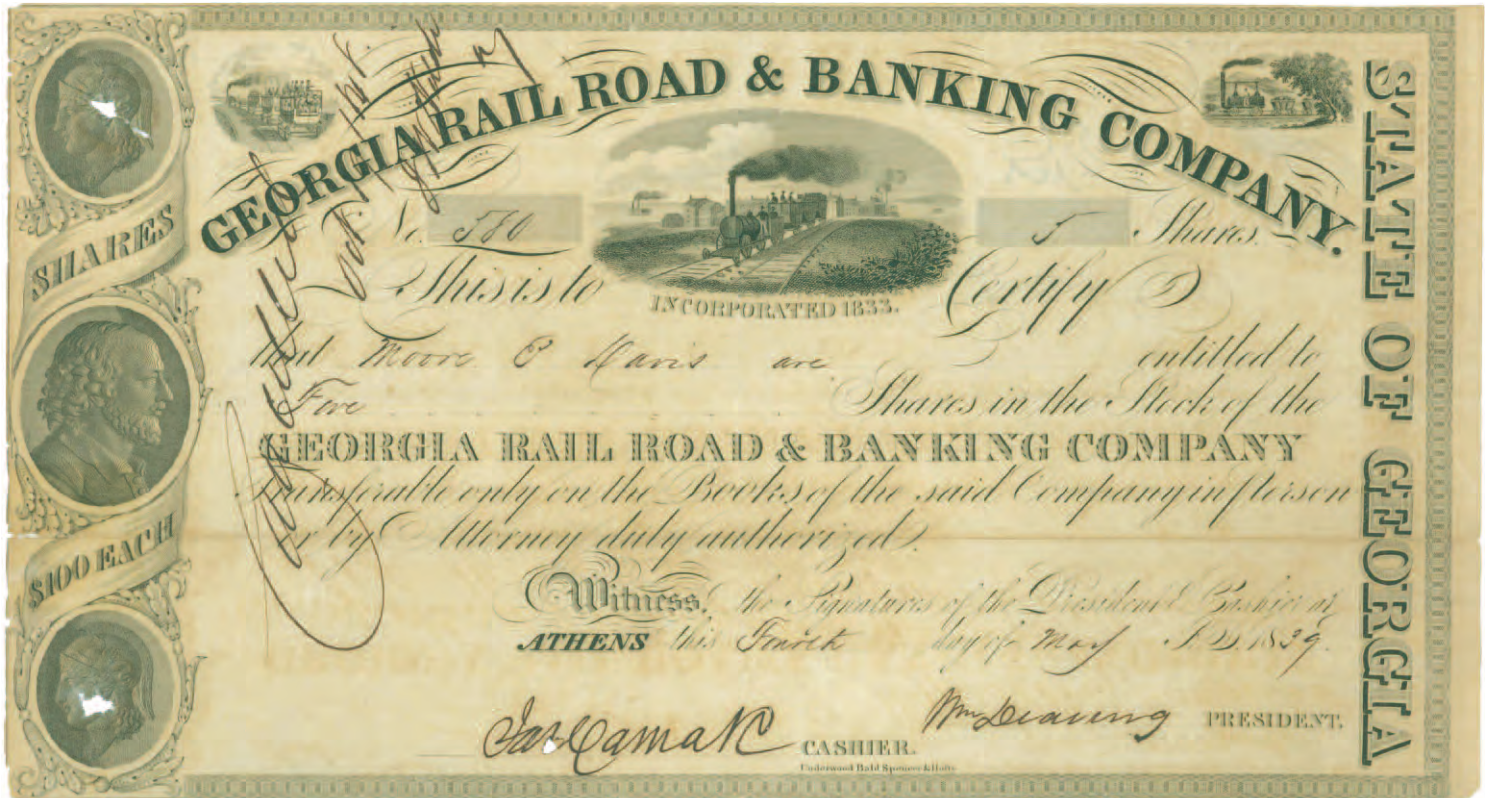
*An 1886 share of the
Pemberton Chemical
Co of Atlanta Georgia,
the company first
founded by John
Pemberton to
commercialize his
Coca-cola product*

SHOWCASE

GEORGIA RAILROAD & BANKING CO Gary Eubanks

This 1839 certificate of the **Georgia Railroad & Banking Co** (Georgia RR) is my favorite for five reasons:

- (1) **Early Issue.** This was Georgia's first railroad. I have seen only one other certificate issued by a Georgia railroad before 1839.
- (2) **Athens issue.** The Georgia RR was first organized by residents of Athens, GA. After 1840 it was controlled by a group of Augusta, GA, businessmen, so very few certificates were issued in Athens. The original Athens directors hired talented 26-year-old J Edgar Thomson to build the railroad. At the time, the railroad terminated in "Marthasville." Thomson changed the name to "Atlanta!"
- (3) **Signatures.** This rare certificate was signed by the both first and second presidents of the railroad, respectively James Camak and William Dearing. Both men were extremely prominent Georgians outside their involvement with the Railroad.
- (4) **Surprise.** I acquired this certificate in an auction group lot where another certificate was the main reason for my bid. Only after I actually received the lot did I realize that this certificate was much rarer than the one which had initially caught my interest.
- (5) **Attractive Design.** If a certificate is to qualify as your favorite, it has to be a pleasure to view. I am attracted to the detailed graphics, including a vignette of one of the first passenger trains complete with both passengers and luggage on the roof.





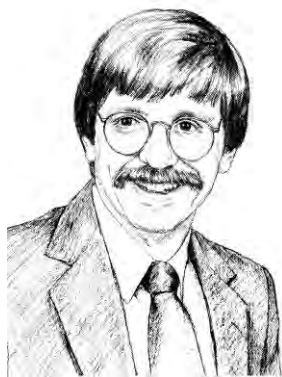
ATLANTA BRAVES PROFESSIONAL BASEBALL TEAM Billy Schroer

For most certificate collectors, there's a special certificate that framed their interest in the hobby. For me it is an **Atlanta Braves** certificate for one share. If the story had not unfolded as it did, I might not have my other thousand or so certificates!

First, here's some ownership history on the Braves, the oldest franchise in baseball: In Boston from 1871-1952 (known as the Red Stockings, Beaneaters, Doves, Rustlers, Pilgrims, Braves, Bees, and then Braves again); in Milwaukee from 1953-1965; and in Atlanta, Georgia, from 1966-Present. Lou Perini, the construction magnate, owned the Boston Braves through his company, Perini Corporation, and moved the club to Milwaukee in 1953. This was the first baseball franchise shift since 1903. In 1962, Perini sold the **Milwaukee Braves** to a group of six former stockholders of the White Sox, which included John McHale and Bill Bartholomy. In 1966, the new owners moved the franchise to Atlanta. The McHale/Bartholomy group owned 95.5% of the stock and Perini retained 4.5% (31,000 shares). There were virtually no shares in hands outside of these owners. Braves stock *never* surfaced in the public market.

Fresh out of graduate school in January, 1970, I became a stockbroker at Merrill Lynch. In March, a client came in wanting to sell 12 shares of the Atlanta Braves. It was not hard to find 12 brokers to buy one share each at \$17 per share. This was the first stock I had ever bought, registered in my name, and taken delivery of ... and what a great certificate it is. Colorful, great vignettes of the Braves team logo and a baseball, very collectible, rarely seen issued, issued to me personally, sports piece, Georgia piece, and had a connection to my career. This piece is the reason I am in the hobby. My collection now includes other Braves ownership certificates...the **Boston Baseball Association**, the **Milwaukee Braves**, **Turner Broadcasting**, **AOL Time Warner**, and the current owner of the Braves, **Liberty Media Group**. In 1974 the Braves offered the few minority shareholders \$24.19 per share for their stock. I did not accept the offer and kept the stock. In 1976, the Braves were sold by Bartholomy to Ted Turner (Turner Broadcasting).

COX'S CORNER #5



Cancellation is a method of preventing documents being used more than once for their original intended purposes. Documents can range from movie tickets to checks to paper money to securities. There are two main categories of cancellation representing either the addition of something to documents or disrupting paper surfaces.

Additive types of cancellation include hand-writing, rubber stamp impressions, typewritten

or printed notices. Disruptive types of cancellations can range from tearing documents in half (movie tickets, for instance) to punching holes, impressing designs, impaling on spikes or cutting them in some manner. Regardless of methods, cancellations are meant to make documents non-negotiable.

Because stocks and bonds represented large sums of money, cancellation has always been very important to companies. The oldest and most obvious way of cancelling certificates was to write "cancelled" across the bodies of certificates. Pen cancellation (including crayons and china markers) has been around since the very first certificates. As long as the number of certificates cancelled each day was limited, there was no need for more elaborate methods.

Companies moved to time-saving methods of cancellation once they grew to the point where they needed to transfer more than a handful of certificates each week. Mechanical punch cancellations started appearing in the 1840s, but gained popularity among larger companies by the mid-1850s. Punch cancellations generally consisted of series of single holes punched by hand devices similar to those used to cancel train tickets. Cancellations were generally circular holes, 2mm to 5mm diameter, punched through signatures. Hole shapes and sizes became more diverse by the 1870s. Punches in the shapes of single letters were popular among some companies by the end of the 1900s.

Cancellation using rubber stamps was another obvious time-saving approach. The earliest rubber stamp cancellations on stock certificates appeared in the early 1850s, within only six or seven years of Charles Goodyear's rubber vulcanization patent.

"Pinhole" cancellations are elaborate variations of hand punches and seem to have appeared in the early 1870s. These cancellations consisted of series of tiny holes organized into words, dates and abbreviations. Rotary punch devices also appeared in the 1870s and removed lines of circular punch holes in one smooth, efficient motion. "Machine-gun" cancellations like this were unpopular on stock certificates, but were used quite frequently for bonds.

Like bank checks, a small number of stock certificates were cancelled by impaling them on spindles or by cutting them with series of triangular, X-

shaped or concentric knives. Cut and spindle cancellations are almost impossible to research because they leave little evidence in photos and scans. Huge numbers of Chicago Burlington & Quincy certificates were cut with three V-shaped knives, but essentially none of the damage shows up in photos.

For some reason, a few companies took more destructive approaches and removed large pieces of paper, either from the bottom edges of certificates or from the signature areas. Quintessential examples of such cancellations can be seen among certificates of the Louisville & Northern Railway & Lighting Co. I have never found any published explanation for such paranoid approaches.

A few months ago, I wondered if there were trends among the various methods of cancellation, either date-wise or population-wise. The problem with discovering date trends is that hardly anyone ever reports the dates certificates were cancelled. There is often no way to tell if investors owned certificates for days or decades. We can, however, see trends among populations of cancelled stock certificates. (I plan to research bond cancellations later this year.)

While pen cancellations have been used for about 170 years, hand punch cancellations affect 58% of all issued and cancelled stock certificates. Rubber stamp cancellations are the second most popular method (41%) followed by pen (32%) and pinhole cancellations (17%). Potentially large, but unknown, numbers of cut and spindle cancellations probably exist, but are undercounted because they are invisible in photographs.

The most surprising observation I have found so far is the percentage of certificates cancelled by multiple methods. Counting only issued stock certificates, 46% of all cancelled shares were cancelled by two or more methods – usually hand punches combined with rubber stamp impressions. Almost 9% of all certificates were cancelled by three or more methods. I suspect multiple cancellation methods represent error checking and accounting redundancy. As I tallied cancellations, I concluded that the majority of cancellations can probably be attributed to trust companies. Once trust companies and clearing houses became involved in transferring certificates, it appears certificates moved through the hands of more and more clerks, each applying distinct cancellations and marks. Many certificates show two, three and sometimes four different punch cancellations, easily identified by distinct shapes and sizes.

Collectors know the obvious relationships between cancellations and prices. While there are occasional exceptions, uncanceled certificates are worth the most. Certificates with typical cancellations are less expensive. Certificates with large cutout cancellations are the cheapest. Beyond that, however, there are no predictable penalties or premiums for methods of cancellation or degrees of cancellation. Individual collectors have definite preferences, but considered as a whole, lightly cancelled certificates tend to sell for approximately the same as heavily cancelled examples

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— BY MARK D. TOMASKO —

Let's examine the vignettes, starting with the one on the left of the header. It is the "Chicago Limited," engraved in 1887 by Charles Skinner of ABN. Skinner had worked for Continental Bank Note before the merger of American, National, and Continental in 1878. He was a fine engraver, and after the death of Alfred Jones in 1900, Skinner became the head of ABN's picture engraving department. This vignette, engraved (etched) from a wash drawing by an unknown artist, was very heavily used—it appeared on some fifty different railroad bonds and stocks in the late nineteenth and early twentieth centuries. And it has a close cousin, "Wagner Palace Car," which appears to be a very similar but slightly different version of the same scene, done for the Wagner Palace Car stock certificate, also by Charles Skinner in 1887.



Figure 2: Die proof of "Chicago Limited," engraved (etched) by Charles Skinner for American Bank Note in 1887. A very heavily used railroad vignette, this engraving appeared on some 50 different securities

The centerpiece, the longhorn, is one of my favorite images. The longhorn started out life in 1875 as "Steer's Head," (Fig. 3), etched by E. G. Farmer and finished by James Smillie. Smillie was one of the best etchers to work on bank notes in the nineteenth century, while Farmer did not do picture work for ABN very long. The "Steer's Head" image was taken from a painting done in the 1860s by Sir Edwin Landseer (a famous English painter of animals). By 1886 ABN evidently saw the need to give the original majestic "Steer's Head" a horn transplant, to make him into a Texas longhorn (what would Landseer have thought!). The vignette was altered by Christian Rost, a very

fine etcher at American Bank Note, and the new vignette became "Texas Steer." This Texas version was used on a number of securities and even Honduran bank notes.



Figure 3: Die proof of "Steer's Head," engraved (etched) by E. G. Farmer and James Smillie, 1875, American Bank Note Co, from artwork by Sir Edwin Landseer, showing the original form of the steer before he became a Texan

The third scene, the Indian spearing the buffalo, dates from an earlier era. To complete the three-part header, ABN reached back to the vignettes of one of its predecessor companies, Toppa Carpenter & Co, and selected a vignette whose artwork was done by one of the more noted bank note vignette artists of the 1850s-1870s, Felix Octavius Carr Darley. According to Darley's account book, he did the drawing for this scene ("Indians Hunting Buffaloes") in October 1853 for Toppa Carpenter for \$60. It would have been engraved in late 1853 or early 1854. While there are no surviving engraving records from Toppa Carpenter, there are two sources that attribute the engraving of this scene to Robert Hinshelwood. One is George Frederick Cumming ("Fred") Smillie's engraving scrapbooks, and the other is Gene Hessler's book *The Engraver's Line*. This vignette appeared on several obsolete (pre-1865) bank notes in the US, one of which, the \$2 Michigan State Bank note by American Bank Note Company, is illustrated.

Unfortunately we have no way of knowing who designed the Santa Fe Railway stock certificate, as ABN kept no separate records of design work. But it is one of the finest "headers" on any railroad stock certificate. The Santa Fe Railway was a leading railroad in America, quite tied into Western U.S. history, and this certificate gives good evidence of that (cattle, Indians, buffalo, etc.). What did the Santa Fe do after this certificate? The redesign in 1950 was equally stunning, saving a bit but changing much, but that is for another time.



Figure 4: \$2 note on the State Bank of Michigan, c. 1860s, American Bank Note. The Indian hunting buffalo vignette was engraved for Toppa Carpenter & Co in the 1850s by Robert Hinshelwood from artwork by F. O. C. Darley. The Santa Fe certificate kept this vignette in use for 50 years, close to the 100th anniversary of its engraving

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IT'S NOT THE TITANIC!

— ANDREAS REINEKE —

There are two well-known and common US shipping certificates showing steamers on their vignettes.

International Mercantile Marine Co (“IMM”)

Different values and issues starting in 1906

United States Lines, Inc. (“USL”)

Preference Shares, blue at 100 and red at less than 100 shares

INTERNATIONAL MERCANTILE MARINE CO



John Pierpont Morgan founded IMM in 1902 as a trust for his shipping interests. Among others IMM controlled the British **White Star Line**, the owner of the *Titanic*. IMM was never really successful and was dissolved in the 1940s. **Cunard** bought the remnants of the **White Star Line** and the remaining American companies were amalgamated into the **United States Lines**. Each of the certificates for IMM and USL depict steamers. Sometimes you will see the IMM certificate advertised as the *Titanic*, but this only refers to the ownership interest, not the vessel in the vignette.

This article is about these vessels. You'll be surprised to learn that these US shipping companies not only did not depict the *Titanic*, they used German-built liners for the vignettes on their certificates!

The liner shown on the IMM certificate is the *Kronprinzessin Cecilie*, never owned or used by IMM. Sometimes called the *Titanic*-certificate because IMM owned the **White Star Line** in 1912 when the *Titanic* sank, it certainly does not display the *Titanic*. A comparison of the ship in the vignette with photographs of the *Titanic* shows that the *Titanic* only had two masts, among other distinctions. Plus, the *Titanic* was launched in 1912, six years after the first IMM certificates with this vignette began appearing.



The *Kronprinzessin Cecilie* was named after Duchess Cecilie Auguste Marie of Mecklenburg-Schwerin, who after her marriage to Crown Prince Wilhelm of Prussia became Crown Princess Cecilie.

The liner was built in 1906 at Vulkan Werft, full name **Stettiner Maschinenbau Actien-Gesellschaft Vulcan**, Stettin, (today Szczecin in Poland) for **Norddeutscher Lloyd, NDL**. She started her maiden voyage from Bremerhaven to New York on 6th August 1907. She was the fourth four-funnel steamer for NDL. All were furnished in heavy and pompous Wilhelminian style. At 19,502 Gross Register Tons (GRT) the *Crown Princess* had the largest piston steam engine that ever propelled a ship. Four quadruple expansion engines produced a total of 46,000 hp and a cruising speed of 23.6 knots. The speed record set by her sister *Kaiser Wilhelm II* was soon beaten by the British steamers *Mauretania* and *Lusitania*, but the four liners performed a reliable and effective passenger service until the outbreak of WWI in 1914.

On 28th July 1914 *Kronprinzessin Cecilie* departed New York with 1,100 passengers and a cargo of two million Pounds Sterling in gold. Captain

Pollak turned around in mid-Atlantic due to gathering war clouds and to avoid capture by the British Navy. While at sea, the captain had ordered her funnels repainted as a form of disguise, so as to resemble the White Star Line's *Olympic*. She reached Bar Harbour, Maine, on 4th August 1914 where she was detained by the then neutral United States. Passengers were returned to New York by train and the gold was taken to Boston. Under escort the steamer left for Boston on 6th November 1914. After the US entered the war on 6th April 1917 the vessel was seized. She was armed, refurbished and commissioned as troopship *USS Mount Vernon*. For the following three years she carried troops to France and after the end of the war returned them to the USA. During her last voyage to France she was torpedoed by the German U-boat *U-82* on 5th September 1918 but was able to reach Brest, France, at 15 degrees list and only 6 knots headway. Her career as troopship ended in 1920.

There had been several plans to bring her back into service, but her huge steam engines created problems. She was top-heavy, always needed around 2,000 tons of water-ballast and would have needed upgrading to oil boilers or even diesel engines.

The *Mount Vernon* was laid up, first in Boston, then from 1924 in the James River Reserve Fleet on Chesapeake Bay. The vessel decayed more and more, so that eventually even the British refused to take her. She was scrapped in Baltimore, Maryland, in 1940.

UNITED STATES LINES



The liner shown on the USL certificate is the *Leviathan*, owned by USL from 1923 to 1937. She was built as the *Vaterland* ('Fatherland' in German) for **Hamburg-Amerika-Packet-Aktien-Gesellschaft (HAPAG)** at Blohm & Voss Shipyard, Hamburg. Launched 3rd April 1913 she started

her maiden voyage to New York on 14th May 1914. At 54,282 GRT she was the largest passenger liner ever to sail under German colours. Passenger accommodation and saloons were of effusive luxury and had the impression of lordliness, and no expense was spared. After all, until the completion of her sister ship *Bismarck* in 1922, she was the largest ship in the world. With her crew of 1,234 she could carry a total of 3,897 passengers, with 980 in First Class, 535 in Second and 850 in Third, plus 1532 in steerage. At full speed she would run more than 25 knots, her average speed was 23 knots.



On 30th July 1914, a few days before the outbreak of WWI, she reached New York at the completion of her fourth outward voyage. She was being made ready for sea on the next day but a telex from Germany stopped everything. Again, to avoid the British navy the huge *Vaterland* was mothballed in Hoboken and rested there for almost three years together with several other German steamers. When America entered the war in April 1917 the US Government seized the *Vaterland* and converted her into a troopship. The German crew sabotaged the vessel as much as possible, but the damage was quickly repaired and the total dockyard period lasted only three months. The vessel also received an armament of eight 6-inch guns and some smaller weapons, and was rechristened *Leviathan*. *Leviathan* was a sea creature referred to in the Old Testament (Psalm 74:13-14; Job 41; Isaiah 27:1), but has become synonymous with any large sea monster or creature.

Under its new name she carried out ten transatlantic voyages in the following years. With a capacity of 10,000 soldiers she was a bonus for the US Government, and on a westbound voyage after the end of WWI she set a record carrying 14,416 passengers. Her last voyage in this service ended in September 1919 when she brought General Pershing and his staff home to the US. What followed was a long period during which her faith was to be tested. Since she still was a coal-burner the boilers needed to be changed to oil firing. And the living space and public rooms badly needed reconditioning. The costly rehabilitations started in February 1922 at the **Newport News Shipbuilding & Dry Dock Company**. No effort was spared and after conversion the liner was introduced as the flagship of the newly incorporated **United States Lines**. The *Leviathan* was once again a

COLLECTING SPECIMENS OF NORTH AMERICAN PRINTERS

— MAX D HENSLEY —

In 2003 I was a relatively new collector attending my second Strasburg, Pennsylvania, stock and bond show. I had seen a few specimen stocks and bonds, but nothing prepared me for the thousands of American Bank Note Co (ABN) specimens being offered at the show by Champion Stamp Co of New York. Champion had brought an enormously entertaining selection of specimens representing a wide range of American industrial financial history, ranging from railroads to mining companies, dry goods houses, insurance, shipping, telephone and telegraph, automobiles, airlines, even an asylum or two. Ever since, specimens have been an integral part of my collection.

The collecting fraternity is lucky to have them. By the late 1980s the ABN had accumulated enough specimens to pack a storage room with floor-to-ceiling antique cabinets full of specimens. But they were no longer important to ABN, and quite a few already had been tossed out or used as packing material. Fortunately, ABN decided to sell the specimens to the scripophily trade. Since then specimens from other bank note companies have come onto the market too. This article is about collecting these specimens.

WHAT IS A SPECIMEN?

A specimen is generally a production example of a stock or bond certificate which has most of the following characteristics:

- Marked “specimen,” usually stamped in red or blue, or spelled out by pinholes;
- Serial numbers printed as zeros;
- Cancelled, typically by punch holes in the signature area, also sometimes by overprinting;
- Generally excellent condition, although most are folded at the stub line or at normal bond fold lines;
- Unsigned or with preprinted signatures;
- No indication of issuance or transfer;
- Partial or complete stubs attached; and
- Printer control stamps like those shown in the illustrations.

Proofs are not specimens. Proofs are impressions used to check printing plate progress and for client review. 19th and early 20th century engraved proofs were generally printed on India paper with a card backing. India (actually, Chinese) paper is a very thin durable

Examples of specimen markings are shown below



American Bank Note Co



Standard Smelting and Refining Co. The only known specimen of a New York Bank Note Co certificate I have seen



Northern Bank Note Co, courtesy B. Schroer

paper having a smooth, chalky-appearing surface. Specimens, on the other hand, are normally printed on production-run paper. Proofs often have corrections and annotations and are not stamped “specimen.”

Specimens were essential to the bank note companies for security, production and sales. They were sent to the customer for reference purposes, and usually to the law firm working on the issue too. For example, Spink in May will be offering a group of British Government bond specimens sent by ABN to the National Savings Committee for reference purposes. These are in addition to a few specimens of the same bonds found in the ABN archives.

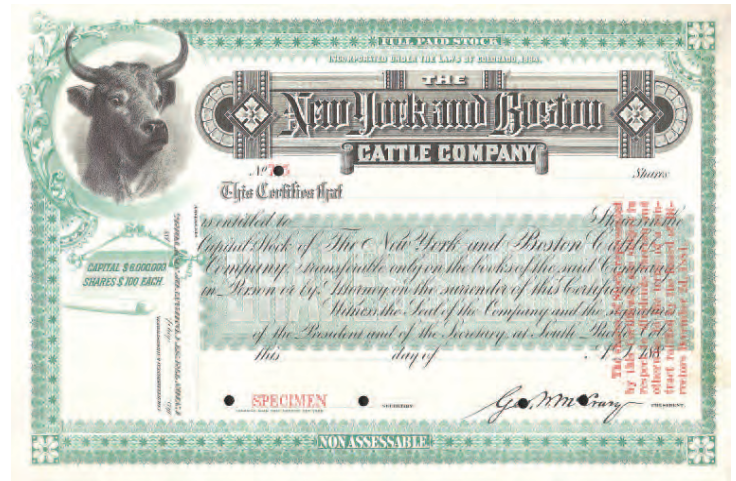
Starting in 1885 the New York Stock Exchange required specimen certificates to be filed with the Exchange. After the establishment of the Securities and Exchange Commission and the registration requirements for securities, specimens were also included in filings with the SEC. Occasionally they were used as models for revisions – I’ve seen an **International Motor Truck Corporation** specimen with the pencil notation “change to Mack Motor Truck, Inc.”

American Bank Note probably had separate specimen files at the sales offices (at the 70 Broad Street headquarters starting in 1907) and the Bronx printing plant (1911). The sales offices in other cities in which ABN had offices, such as Boston, Philadelphia, and Chicago, would have had their own specimen files.

Overall, it appears ABN was the only US company to use the word “specimen” on securities before 1900. Western Bank Note and Franklin Bank Note, for example, just punched holes in bond or certificate signature lines. Homer Lee sometimes used the word “specimen” in the punched signature lines (with zeros in the serial number panel), and sometimes did not. International Bank Note generally just punched the signature lines, and did not use the word “specimen” until around 1906-1908, though zeros are generally found in the serial number panel. Several Continental Bank Note production-run stock certificates have been seen with the word “specimen” handwritten in the signature blocks.

Another category of unusual specimens complicates things. Transfer agents made specimens from regular numbered certificates by punching the signature lines, sometimes punching the number panel, and stamping “specimen” or “cancelled” on the certificate. Issuing companies not wanting to bother the bank note firm for additional specimens (and possibly having to pay for a small additional run of certificates) might ask the transfer agent to “specimen” a small group of regular numbered certificates. I am aware of only a single specimen with a non-null serial number that is confirmed to come from a printer archive, the illustrated **New York and Boston Cattle Co** specimen.

I’ve seen an ABN stock certificate with “specimen stock certificate” as the masthead. This is a model stock certificate prepared for marketing purposes.



This is the only non-null serial numbered certificate from the ABN archives. The serif-bearing letters in the specimen stamp are typical for ABN specimens prior to about 1890

WHY COLLECT SPECIMENS?

A specimen may be the only available certificate or bond for the issuer in question. A brief look at Cox’s *Collecting Stocks and Bonds from North American Railroads* (2nd Ed 2003) shows many railroads known from only specimens.

Nearly three-quarters of a random group of ABN-printed certificates in my collection appear to be available *only* as specimens – the issued counterparts don’t appear in my own records or in several databases and compilations. Mergers and/or redemptions over the years have removed securities from the marketplace, especially in the case of successful companies, so specimens may be all that remain.

Even if securities survive from a company, specimens may provide the only source for varieties. Varieties are variations in the text or design of a certificate, eg changes in company name, partial preprinted date, registrar, transfer agent, share amounts, capitalization and the like, and include transitional certificates. Transitional certificates include overprinting, eg silvering over text and printing the new text on top. These typically were issued only until the plates could be re-engraved and new certificates printed. Many of these varieties are rare or non-existent in issued form.

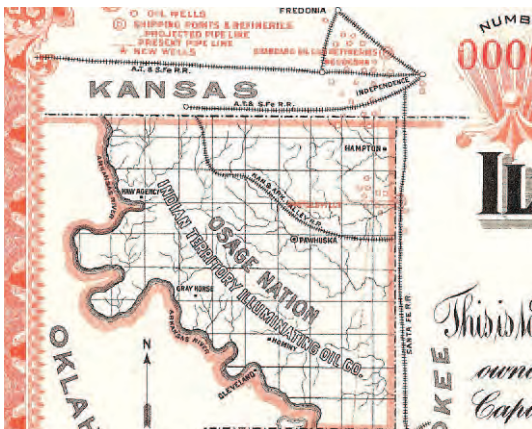
Collectors interested in graphic art are attracted to specimens because specimens are generally in excellent condition and they are often the only source for “special” vignettes otherwise unavailable on shares of other companies, as shown in the illustrated examples on the next page.



Kelly-Springfield Tire Co (NJ) Ca 1910 ABN



Horseshoe Mining Co (MT) Ca 1900 ABN



Indian Territory Illuminating Oil Co (NJ). Ca 1910. ABN litho

Note that the *absence* of specimens may make your issued piece more desirable from a company rarity standpoint – specimens can dilute the “corporate rarity” of your issued piece. About 20% of the *issued* ABN-printed securities in my collection have no counterpart specimen known. This percentage is higher for other bank note printers such as Western Bank Note Co and New York Bank Note Co, which are represented by relatively few specimens.

Some collectors and dealers are not interested in specimens. Reasons given include that specimens are not really stocks or bonds because they were never issued, they lack the character of issued certificates, the field is too big and/or there’s uncertainty about how many are “out there”. Certainly, an issued certificate has more to offer in its own way, most notably the potential for valuable autographs. And the concern about hoards is well placed – the owners of the specimen hoards that have entered the market over the last 2 decades have not supplied publicly available inventories.

Specimens are the newest entries in a new field of collecting. It is natural that it will take some time for them to be fully accepted by scripophiles. The closest analogy is found in paper money specimens, most from the same printing companies, where specimens representing otherwise unavailable issuers or denominations bring extremely high prices and are well accepted.

ARE SPECIMENS RARE?

Sellers of specimen hoards have consistently told me that the archives contained 1 to about 5 specimens of any particular security, and careful record-keeping and other sources have confirmed these general population statistics. However, specimens later than about 1950 are far more numerous, both cumulatively and in terms of the numbers of any individual certificate.

Numbers of appearances in the marketplace can be deceiving. On closer examination apparent multiple offers of the same certificate turn out to be offers of different varieties. Others may be resales of the same certificate - specimens do not bear serial numbers so it takes careful examination to distinguish them. For example, I have seen a particular specimen offered three times, but they were the same certificate as determined by the unique placement and appearance of a printer stamp. This would not be immediately apparent to the casual observer.

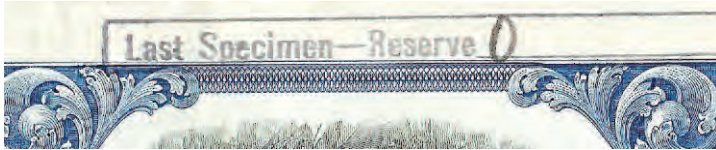
It is important to understand that corporate or issuer rarity is different from individual certificate rarity. While any one certificate or bond may be present in small numbers, the number of specimens for a given company can be substantial. The reason is that bank note companies, issuers, and others generally retained specimens for each denomination and class of securities. One often finds specimens for each variety.

Large companies ordered common and preferred stock certificates, and for each of these an odd lot (“less than 100 shares”) and round lot (“100 shares”) certificate. Rarely, one finds specimens for other denominations such as “unlimited” certificates (“more than 100 shares”). With one to five of each in the archive, such a single-issue company will be represented by about 4 to 20 specimen certificates. Less frequently, subclasses such as first and second preferred will add to the total. Thus, specimens in general from larger, long-lived companies are cumulatively more common because of the many discrete issues (although the early varieties may be rare or non-existent). Specimens later than about 1950 also tend to be more

available because there has been less time for attrition, even though the number of varieties are less because, by that time, the New York Stock Exchange was only permitting undenominated certificates.

A given company may issue both stock and bonds, and the bonds come in two varieties, bearer (coupon) bonds and registered bonds. From the late nineteenth century to the mid-twentieth century bearer bonds were generally issued in \$500 and \$1,000 denominations. Registered bonds could be in the same denominations, but sometimes with \$5,000 and \$10,000 denominations too. Statements that a given bond is unique must be tempered with the understanding that one or more other denominations may exist as well.

ABN specimens sometimes are encountered with a stamp like one of these.



These do not necessarily mean the specimen is unique. For example, I have seen a Chicago Lumber & Coal Co 2nd preferred with a “Last Specimen” stamp and another identical one without it.

We can only speculate why the number known may be inconsistent with these legends. It may mean that the security was the last one in a particular filing location, such as 70 Broad Street, or the Bronx plant, in the case of American Bank Note. Or a specimen might have been found in the ABN archive and another in a client company archive. While the “last one” legend appears to correlate very roughly with scarcity, it is not conclusive.

Please be aware that the Whaco database did not enter specimens until the mid- to late 2000s. Further Whaco did not enter the contents of multiple items lots. R M Smythe sold many specimens via multiple item lots.

FAKES, PLATES AND UNISSUED SECURITIES

Theoretically, one could create a specimen from an unissued security by using a rubber “specimen” stamp and a hole punch, and this is indeed what some transfer agents did, as mentioned earlier. But this practice was

unusual. You should be on alert if a purported specimen bears a serial number other than zero.

Another question is how to distinguish a specimen from an unissued security when the item is devoid of either a “specimen” designation *or* a serial number. This is mainly a problem with 19th century bonds. Also, some nineteenth century bonds are devoid of printed serial numbers because serial numbers were intended to be hand written as the bonds were issued. However, specimen bonds of this sort will have punch-out cancels at the signature lines.

Then there is the matter of original printing plates. A coin dealer bought the ABN archive of printing plates and dies, and has been auctioning them off through Stack’s (New York) for several years. The stock certificate offerings have been mostly vignette dies and plates, with only about six complete (border and vignette) face plates auctioned so far.

Even if the vignette and proper border plates for a certificate exist (there would be one for the border and one for the vignette/legend if, like most, the specimen is bicolored), the backs would have to be available too – and so far I have not seen a single one of these. In addition, there would be the significant problem of actually printing the certificates. This is an arduous and expensive process, and even when undertaken by ABN itself the results were distinguishable from the originals. In the 1970s ABN reprinted about seven decorative stock certificates from original plates for Time-Life Books’ *Opening of the West* series. I compared one of these reprints with an original specimen. The reprint was noticeably weaker and lacked the color intensity of the original. Reprinting original intaglio plates would require application of a nearly extinct art. Finally, many of the archive plates have rust spots, which would detectably mar the images.



Varieties may be only available as specimens, such as this Standard Consolidated Mining Co with capital and share price oversilvered and reduced to \$2 million and \$10. Stub stamped “DEC 1896”. ABN

HOW OLD IS MY SPECIMEN?

Specimens date from the 1870s to recent times. Most are undated or only have partial dates. However, around a sixth of the ABN specimens printed from about 1896 to 1909 have month-day-year date stamps or month-year pencil dates on the stub. Otherwise, you can get an idea as to the era of your specimen by considering one or more of the following: Incorporation date (state records, the *Manual of Statistics* or similar contemporary guides list companies and their incorporation dates); planchettes (colored dots in the paper introduced after about 1925); stylistic features (Aesthetic Period embellishments such as asymmetry, palm plants, flowers and the like, dating from about 1880 to 1900); absence of complete borders (after about 1960), printed partial dates (don't forget to check the stub); CUSIP numbers (tracking numbers like those found on your checks, introduced after 1967); and facsimile signatures, printed seals and the absence of a stub (all after about 1935). In addition, the job number in the top margin of ABN specimens from about 1966 onward have the order year as the last two numbers separated by a dash from the rest of the numbers.

Bonds can normally be dated by the date given at the end of the text. However, ABN sometimes reprinted bonds where the maturity date was quite long, say 60 or 100 years.

HOW MUCH IS MY SPECIMEN WORTH?

Well, that depends. While most older specimens individually are scarce to rare, rarity is only one factor among many influences on market value (see Cox's Corner in the December 2008 *Scripophily*). Prices are also a function of age, condition, artistry, existence of "competing" comparable certificates and, most important, "popularity."



Securities of companies such as the Central Railroad of New Jersey (the railroad that serviced Ellis Island) are only available as specimens; the issued ones are rumored to have been used as ferry boiler fuel

Generally, popularity – not rarity – sets the price. Specimens for popular collecting categories like automotive, shipping, railroad, mining and communications bring more, as do specimens from western US companies (especially Colorado and Alaska), those having a celebrity connection, and companies that developed into well-known modern corporations.



Specimens often bear printer's internal control stamps. ABN

The most expensive specimen on record is the **Buffalo Bill Wild West Show** stock certificate that brought \$17,600 in R M Smythe's January 1998 sale, described as unique. This price was comparable to the \$10,080 realized later for an issued example by R M Smythe in January 2001 (with Cody signature) and the \$20,000 attained by an issued example (without Cody signature) sold by R M Smythe in February 2008. After this, bonds bring some of the highest prices, particularly rare US railroad bonds. Examples from the H R Harmer (Bethel CT) sale of June 2008 include the **San Antonio & Gulf Shore Railway** bond of 1894 (realized \$2000; 'one of 2 found in archive') and the **Butte, Anaconda & Pacific Railway** 1893 bond (realized \$1,200; 'last of 3 found in archive'). Prices include premiums.

Specimen prices vary widely from one hobby segment to the next, but by any measure stock and bond specimens are cheap. For example, as a general rule stock and bond specimens bring far less at auction than do bank note specimens. Rare denomination/issuer ABN paper money specimens easily sell above \$1,000 while stock and bond certificates almost never reach this level – even when unique or nearly so. Many stock and bond specimens for which I estimate no more than 2 to 4 exist can be purchased for under \$50 in unpopular fields, and they rarely exceed \$750 in any field.

Specimens regularly appear at auction and on eBay. Modern issues can be had for only a few dollars each in extremely large lots, but mostly the

material goes for between \$20 and \$200. Any specimen bringing more than \$200 on eBay is exceptional; most sell for between \$40 and \$100. In the HR Harmer ABN III sale (June 2008) the average selling price for a US specimen was about \$290, including multiple-piece lots and the buyer's premium. This must be considered a high-end auction price - the material was mostly rare and popular locations and categories (Alaska, Colorado mining, Western Railroads, etc.). Non-US specimens in this sale brought about \$300 on average, boosted by rare sovereign debt issues of popular countries.

There is legitimate concern that further dispersal of hoards will reduce prices. Specimens first began to appear on the market in the mid-1980s. Most hoards have been at least partly dispersed, but material continues to emerge. 2007 saw the dispersal of about 180 specimen Canadian certificates from the British American Bank Note Co and Canadian Bank Note Co. Western Bank Note Co specimens have been dribbling onto the market for at least 5 years and many more probably exist. Bob Schwartz via HR Harmer has been auctioning off an archive of specimen Security Bank Note Co stocks and ABN bonds. Champion Stamp retains an inventory of about 20,000 mostly post-1900 ABN specimen stock certificates (but not bonds). So far, these sales have not had an adverse effect on prices, although the lack of transparency from sellers regarding populations is probably depressing prices – particularly for authentically

rare items because no one has any confidence that they really are rare. Paradoxically, the dispersal of large hoards of other collectibles has had the effect of drawing more collectors into such markets and raising prices as a result.

CONCLUSION

Specimens offer the advantage of modest cost, scarcity, excellent graphics, superlative condition and, most importantly, the ability to obtain securities and varieties that otherwise would be unavailable. The downside is that they lack the “personality” of issued securities and, for the time being, the market is being held back by scanty information about the size and scope of hoards and dealer inventories.

Acknowledgments. The author thanks Bob Schwartz, Art Morowitz and Mark Tomasko for helpful observations and comments. Cover image courtesy Champion Stamp Co.

Max Hensley is a semi-retired patent attorney who has been collecting since 2000 stocks and bonds printed by bank note companies, with particular interest in the art of scripophily. maxdhensley@yahoo.com

IT'S NOT THE TITANIC! *CONTINUED*

very luxurious passenger liner. Now at 59,956 GRT the ex-*Vaterland* was once again the largest passenger ship in the world and still is the largest US passenger steamer of all time, even surpassing the legendary *United States* of 1952.

Alas, the last part of the life story of this gorgeous ship was not very glamorous – only misfortune and shortcoming. Even though the passengers loved this liner it never made money, maybe because she sailed alone without an equal sister ship. The *Leviathan* was a fast vessel and therefore expensive to operate. Prohibition brought a slump in passengers numbers, if not their morale – suddenly there was not a drop of official alcohol available on board for the entire voyage. In addition the hull formed cracks which, although sealed and strengthened, were not comforting.

The Depression finished the *Leviathan* off. She was decommissioned in New York on 14th September 1934 and lay there until December 1937 when she was sold to British breakers. They sent a transfer-crew for the

last voyage to Europe. It turned out to be a horrible crossing. The vessel was in desolate condition and only provisionally made ready for a winter crossing of the North Atlantic. En route, boiler tubes burst and time and again small fires broke out. The ship leaked and the cracks broke open again. But on 14th February 1938 she finally reached Rosyth in Scotland where she was ultimately broken up.

The story behind the vignettes on these stock certificates shows how, for only a few Dollars or Euros, a collector can find hours of pleasure and education. And now you know how it's not the *Titanic*, it's the *Kronprinzessin Cecilie*!

Andreas Reineke is a current IBSS committee member collecting shipping/maritime scripophily as well as aviation since the 1990s. He heard about the story of the *Kronprinzessin Cecilie* and the *Vaterland* for the first time at the 1997 stock and bond show in Strasburg, PA.

Italian Wine Certificates

— Alex Witula —

Italy is one of the biggest wine producers in the world. Furthermore, Italy is one of the oldest wine producers in the world. *Family Business* ranked the oldest extant companies in the world, and among the first four was a famous Italian wine and olive oil producer “Barone Ricasoli,” established in 1141! So collectors should have expected to find many Italian winery certificates.

Some years ago Portafoglio Storico organized a mailing to all Italian wine-related corporations (about 250). Its purpose was to get images of certificates to include in the Italian regional catalogues *Carte Valori d'Epoca – Collana Regionale* (Regional series of antique stock and bond certificates).^{*} An astonishingly low number of answers was received: – only three, with only one nice stock certificate found. It was a big disappointment, though a couple of the missing ones could be found on the Italian Stock Exchange before the dematerialization process that led to the demise of paper stock certificates: **Martini e Rossi** and **Francesco Cinzano** (Campari Group).

In the past, most Italian wine makers were organized as family businesses. Only at the beginning of the 20th century did some very small businesses begin to unify in co-operative companies. This is demonstrated by the fact that among the certificates known and issued by the 20 companies listed below, only one is dated in the 19th century. Many of them adopted names like “Cantina Sociale” followed by the place of issue, usually the town where the company members were operating. “Cantina Sociale” literally means “social wine cellar,” a co-operative organization for wine production and sale.

Following is a list of stock certificates for Italian wineries which have appeared in the market (auctions, price-lists, collector holdings, etc.). The list is believed to be almost complete. The date of issue listed below is the



One of the oldest Italian winery certificates, the Società Vinicola Torinese (1873)



Highly decorative certificate of the Industria Vini Marsala D'Ali e Bordonaro (1911)

date found on the certificate listed. Sometimes this date corresponds with the date of the company's foundation.

Company's name, place and date of issue:

- Aula & Virgilio S.A. Vini Marsala; Trapani 1921;
- Cantina Cooperativa Vini di Castelfranco Emilia 1965;
- Cantina e Magazzini Generali, Velletri 1915;
- Cantina Giuliana Gaarine, Treviso 1952;
- Cantina Sociale Azelio Grilli, Arezzo 1912;
- Cantina Sociale di Carpi, 1944;
- Cantina Sociale di Castell'Alfero, Asti 1908;
- Cantina Sociale Forlivese 1927;
- Cantine Marchese Fassati Vini ed Olii del Chianti, Milano, 1913;
- Cinzano Francesco, Torino 1942;
- Fassati Casa Vinicola Vini ed Olii del Chianti, Firenze 1919;
- Industria Vini Marsala d'Ali & Bordonaro, Trapani 1911;
- Ligure Produzione Aceti di Vino, Genova 1910;
- SAVI – Società per Azioni Vinicola Italiana, Torino 1961;
- Sarda Vini, Sassari 1949;
- Società Vinicola Italiana Casteggio; Pavia 1919;
- Società Vinicola Torinese, Torino 1873;
- Vinalcre – Nuova Società Ital. Trattamento di Vinacce, Roma 1906;
- Vinicola Italiana Florio Ingham Whitaker Woodhouse, Trapani 1961;
- VINO - Vermouth di Torino E. Martinazzi & C., Torino 1907.

^{*} Sicily and Veneto were published by Portafoglio Storico in 2006, with Campania coming in 2009.

Alex Witula is the founder and manager of Portafoglio Storico, a firm established in 1982 in Bologna (Italy) dealing with antique stock and bond certificates, and is an editor and auctioneer.

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AUCTION MARKETS

No, scripophily is not in troubled waters !

SCRIPTOPHILY SALES ARE GROWING FAST

In spite of the economic crisis, auction sales of scripophily are continuing the strong growth seen in every period since we re-started our statistical series in 2006. After removing the massive Busso Peus Reichsbank sales from the figures (because they occur in some periods and not others, hugely distorting the trends), the four months December 2008-March 2009 saw an increase compared with the same period in 2007/8 of 13% in the number of lots sold, with sales turnover up 23% measured in euros, 47% in the weakening pound and 7% in terms of dollars.

The overall percentage sold was a little higher than in the comparison period, and the average price per lot increased massively in terms of euros and pounds but not dollars. We think this is due mainly to new and old buyers being willing to pay higher prices for quality material. We have not analysed national markets but our hunch is that the major recent growth has been in Russian shares, Chinese bonds, Ottomans and early British.

However, despite the growth in total sales value and average price, the prices achieved by familiar pieces are often lower than before. Collectors are being prudent with the level of their bids. Many pieces now sell at their start prices or below their bottom estimates. The percentages sold, especially for low-level items, are only high in those auctions where the house sets estimates or start prices at low levels. In such auctions, this might indeed be a good time to pick up some interesting pieces without too much competition.

The scripophily auction market in the US is an exception to the picture of world growth. US sales in the period were down by lots offered, percentage sold and total sales value (down 23% in dollars). We attribute this partly to the severe effect of the economic crisis in the US and partly to the fact that Spink Smythe has not yet addressed the market in the way the market leader Smythe did before being acquired. New sales are being generated by Harmer's and Stack's of New York at relatively high prices by introducing scripophily to crossover markets such as their paper money and mining collectors.

WORLDWIDE AUCTION SALES DECEMBER 2008 - MARCH 2009

| Firm | Date | Place | No. of scripophily lots offered | % sold by number of lots | Total sales including buyer's premium | | |
|--------------|--------------|-------------|------------------------------------|-----------------------------|---------------------------------------|------------|-------------|
| | | | | | € | £ | \$ |
| Boone | 20/21-Mar | Antwerp | 1,977 | 55% | 723,096 | 672,082 | 980,374 |
| | | Belgium | 1,977 | 55% | 723,096 | 672,082 | 980,374 |
| Gutowski | 26-Jan | Mailbid | 1,569 | 62% | 94,139 | 88,443 | 122,287 |
| Tschoepe | 17-Feb/4-Mar | Mailbid | 1,406 | 53% | 27,111 | 24,133 | 34,037 |
| HSK | 21-Feb | Hamburg | 1,600 | 36% | 146,180 | 129,875 | 185,723 |
| HWPB | 7-Mar | Munich | 319 | 55% | 112,047 | 102,119 | 140,787 |
| | | Germany | 4,894 | 51% | 379,477 | 344,570 | 482,834 |
| Spink Smythe | 17-Jan | New York | 348 | 56% | 45,812 | 41,449 | 60,390 |
| Stack's | 13-Feb | Tucson AZ | 128 | 91% | 50,222 | 44,404 | 64,400 |
| Harmer | 18/20-Feb | Bethel CT | 1,019 | 51% | 126,955 | 111,848 | 159,850 |
| | | USA | 1,495 | 56% | 222,989 | 197,701 | 284,640 |
| Gasche | 13-Dec | Mailbid | 649 | 100% | 23,606 | 17,531 | 34,391 |
| HIWEPA | 15-Dec | Mailbid | 399 | 98% | 17,756 | 15,880 | 24,240 |
| HIWEPA | 14-Mar | Basel | 285 | 100% | 91,758 | 84,467 | 119,669 |
| HIWEPA | 16-Mar | Mailbid | 471 | 99% | 14,409 | 13,396 | 18,921 |
| | | Switzerland | 1,804 | 99% | 147,529 | 131,274 | 197,221 |
| London Coins | 6-Dec | Bracknell | 150 | 80% | 15,185 | 13,250 | 19,652 |
| Spink | 27-Jan | London | 703 | 63% | 105,690 | 98,850 | 139,248 |
| IBSS | 30-Jan | Mailbid | 225 | 79% | 4,718 | 4,236 | 6,047 |
| London Coins | 28-Feb | Bracknell | 175 | 51% | 20,402 | 18,224 | 25,697 |
| | | UK | 1,253 | 66% | 145,995 | 134,560 | 190,644 |
| Galileo | 31-Jan | France | 518 | 32% | 18,150 | 16,396 | 23,159 |
| | | World | 11,941 | 60% | €1,637,236 | £1,496,583 | \$2,158,872 |



AUCTION REVIEWS

View our website. Fuller versions of these reviews with more prices and illustrations can be read on www.scripophily.org

SPINK SMYTHE

New York, January 17

This was not a very big auction – 348 lots, almost all US – but with a lot of good pieces. The percentage sold was 56% for a total hammer price of \$50,325 (£34,500/€38,000).

The top price was for a **Chicago St Louis & Pittsburg Railroad** share (1890) issued to and signed by the mining giant **Meyer Guggenheim**, sold at its bottom estimate of \$2,500. A magnificent **Submarine Boat & Torpedo** stock from 1899 sold twenty percent above its bottom estimate – it fetched \$2,400. Out of the eight scarce **Confederate bonds** with a four-digit estimate, three sold well, between \$1,000 and \$1,500.

The sale contained 22 pieces with bottom estimates of \$1,000 or more, but only 9 of these sold. A final interesting statistic is that only 54 lots, 16%, sold above their bottom estimate. Just four succeeded in doubling it. In other words, bidding was very much concentrated at 80%-100% of the bottom estimate, and 25 lots sold for as little as 40%-56% of their bottom estimate – a tip for future mailbidders?



This **Chicago St Louis & Pittsburg Railroad** stock (1890) issued to and signed by **Meyer Guggenheim** achieved the top price at \$2,500

BUYER'S PREMIUM

Most auctioneers charge a premium to the buyer (as well as sales commission paid by the seller), generally in the range 15-20% of the hammer price, plus local taxes. The figures reported in our auction reports are hammer prices, not including the buyer's premium.

SPINK

London, January 27

Spink's superb London catalogue contained 703 lots, mostly mid-market, of which 65% sold, excellent for these times, with a hammer total of £85,225 (£88,000/\$116,000).

In a large Russian section, 79% of the 120 lots found buyers, with some very strong prices. A set of 3 different specimen bonds of the **1896 State Gold Loan** was bid far above its £150-£200 estimate to take £1,600. Demand for Chinese pieces remains strong and this section of 74 lots saw 77% sold including a rare £20 denomination **Hukuang Railways 1911 Loan**, issued by the American banks, which sold for £1,400, £400 above top estimate.

Not often seen at auction was a large section from India, Burma and Ceylon, 88 lots of which 86 sold, many for excellent prices. A **Chartered Bank of India, Australia & China** share of 1854 sold at £380 (estimate £80-£100). Australia was well received with all 19 lots selling for around estimate, for example a **Hampton Plains Exploration** share of 1895 going for £70. Also of note was a **State of Buenos Aires** loan, issued in 1826, which sold for £310. There were 24 lots of Japanese from the Boling collection, just over half finding buyers including a **1907 Sterling Loan £200** which made £800.

The British section was the largest in the sale (126 lots) but results were mixed with 60 unsold. Prices of note were for an **Argyll Motors** share of 1908, sold for £150, and a **Low Hill General Cemetery** share of 1829 at £350. The US section was small and many of the prices realised were historically low. A **Philadelphia & Lancaster Turnpike** share of 1795 sold for £280 (\$390), but a **Standard Oil Co** share of 1878, estimated at £3,000-up (\$4,225), was not wanted at all.

As with Spink's last two London sales, the catalogue was liberally sprinkled with specimens from the **Bradbury Wilkinson** archive – in fact over 10% of the lots on offer – such as four different bonds of the **Underground Electric Railways Co of London** (£100-£140 each), an **Egyptian State Loan 1888** (£150) and a **Mexican Railway Co** (£70).



£500 denomination 1898 Chinese Gold Loan bond issued by the **Deutsch-Asiatische Bank** sold for £2,800, the top price in the sale although below its estimated £3,000-£4,000. Only 100 of these bonds were issued



Three **Bradbury Wilkinson** specimen bonds of the well known armaments firm **Vickers Sons & Maxim** made £140 each

GUTOWSKI

Mailbid, January 26

Another large mailbid auction from Gutowski with almost 1,600 lots, 62% sold for a total of €80,000 (£75,000/\$104,000). Germany once more was the largest section with 1,100 lots (62% sold), followed by USA with 235, also 62% sold, a very good result for US these days. British also did unusually well, selling 78% of 27 lots. The Russian section was very small and there were no Chinese.

The high proportion sold compared with other German auctions is partly explained by the low start prices, set at half what the auction house believes to be the value. Lots going above their start prices included a **Bergbau-AG Medio-Rhein** share 1858 at €600 (start €450) and an 1873 share of the **Wilmington & Western Railroad** at €400 (\$520, start price €350). Successes at their start prices included a 1746 **Monte della Citta Firenze** bond at €650, an 1853 **Frankfort Wiesbaden Cologne Eisenbahn** share at €750 and the Swedish **West-Indiska Co** share 1787 at €650.

Ten lots had start prices at or above €1,000, but only one was sold – an 1810 **Gotha Canal** at €1,000. The failures included the well known **Vienna Gigantic Wheel Company** (offered at €1,750), and an 1875 share of **The Real Estate Associates**, San Francisco, showing a view of Alcatraz, offered at €1,200 (\$1,560).



These vignettes show the quality often to be seen on 19th century Swedish shares

IBSS

Mailbid, January 30

This was another Society auction which was well supported by members with 79% of the 225 lots selling for a hammer total of £3,851. The full results are shown in the current IBSS auction catalogue.

Most lots were modestly priced with estimates set below £25. The sections which fared best were Australia, Canada, India and Russia, with Southern Africa being the weakest area.

The highest price was £200 for an **American Express** share of 1865. A Mexican **Real Del Monte Mining** subscription certificate from 1831 sold for £102, a **Yunnan-Szechuan Railway** certificate, 1909-11 issue, fetched £101, and a **West Cork Mining** share of 1836 made £85.



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STACK'S

Tucson AZ, February 13

The live auction by Stack's of New York, held conjointly with the Tucson Gem and Mineral Main Show, contained 128 lots of stocks and bonds amongst high-end minerals, gems and mining ephemera. They did a nice job with the catalogue, providing large colour illustrations of each lot and detailed descriptions. The results were record-breakers across the board. Only 11 pieces failed to sell, giving 91% sold for a total hammer of \$56,000 (£39,000/€54,000).

The highest priced stock was the **Rosebud Indian Mission** 1886 selling at \$3,750 against an estimate of \$700 and well above auction prices elsewhere. A **Bodie Bluff Consolidation Mining Co** unissued but signed by **Leland Stanford** as president fetched \$2,000 – records show sales of 16 offered in 1991-2003 at \$750-\$1,300. A **Philadelphia & Lancaster Turnpike** 1795 signed **Wm Bingham** sold for \$1,700 (estimate \$1,200). The decorative but common **Climax Mining Co** stock made \$300, although regularly available on eBay at much less.



In the Stack's auction review on our website you can find many more of the prices realised in this sale, and comparisons with prices from other sales.

Geronimo Mining Co, Arizona, 1917, with vignette of the Apache warrior Geronimo, sold for \$500. No previous sales noted (archive image)

TSCHÖPE

Mailbid, February 17 – March 4

Auktionshaus Tschöpe is very well known for live auctions of high quality scripophily. But this one was a mailbid with over 1,400 lots of low and middle grade material, some with start prices as low as €1. The total prices realised came to just €23,000 (£20,500/\$29,000) with 53% sold.

The highest price paid was the start price €650 for an 1884 bond of a famous concert hall, **Neuen Gewandhauses in Leipzig**. This price was not typical of the sale, however. More typically, a group of ten **City of Moscow** bonds, 1900/01, sold for €58 per bond. Many bargains could be had for only €1. Most of the lots were German but there were also Russians, other Europeans and North and South American.

Nobody wanted, for just €25, a remarkable 1856 share in a Franco-German company for emigration to Virginia, with vignettes of mining, shipping and farming plus Washington, Jefferson, Madison and others.

HARMER

Bethel CT, February 18-20

Included in this fourth Harmer sale of items originally from the American Bank Note Co archives were 1,019 lots of scripophily, mostly 20th century specimens or unissued. The total hammer for the stocks and bonds came to \$139,000 (£97,000/€110,000) from 51% sold. The average price was about half of that in last June's sale but considering the economic events occurring in the week of the sale, the firm was happy with the results.

The highest price was for an issued 1877 **Alaska Gold & Silver Mining Co** share with a panoramic view of an Alaska shoreline, going for \$3,750 to a happy buyer after an intense bidding war. Aviation was respectable with 7 out of 9 lots selling, the highlight an issued **Aroostook Airlines** stock from 1929, flying out the door for \$450. Computer and internet specimen stocks did very well with all 6 lots selling, the top being a **Fairchild Semiconductor** specimen at \$375.

Worldwide stocks and bonds had mixed results with a some countries showing major strength and others disappearing from the bidding map. The highlight of the small Chinese section was a lot of three different 1933 **Shanghai Telephone Co** bonds hammered for \$825. Panama and Puerto Rico did well with the whole of their small sections selling. Poland proved to be one of the strongest with 34 lots selling out of 42 lots offered, all of them specimen bonds such as a \$1,000 **Republic of Poland Stabilization Loan**, series due 1956, hammering for \$1,300. A **Lithuanian Liberty Loan Bond** specimen sold for \$375.

The 388 lots of US and foreign railroads were mixed, 50% selling. The successes included an **Arizona Eastern Railroad** specimen bond hammered for \$950. Guatemala was highlighted by **The International Railways of Central America**, hammering for \$600. A specimen \$5,000 bond of **The Pennsylvania Ohio & Detroit Railroad**, with an interesting added legend stating that the bond would not be payable in gold due to the country going off the Gold Standard, sold for \$325.



El Paso & Southwestern Railroad sold for \$1,100



A specimen Estados Unidos Mexicanos Ferrocarril Troncal De Oaxaca went for \$1,150

SCRIPPHILY
2009/1

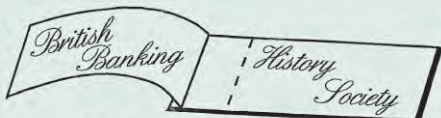
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HSK

Hamburg, February 21

The 27th HSK auction was again a three-parter with a speech, the auction and a (truly) small bourse. **Dr Jochen Haeusler** made a superb speech about **Rachmaninov**. The auction saw 1,600 lots, but only 36% sold. The total hammer-price was €124,000 (£109,000/\$157,000). Not much, compared with €300,000 start price and the last HSK auction's €258,000 on the hammer. Most of the higher priced pieces went to 'the book' (mail bidders), even though the room was quite well filled with bidders, or do we have to say observers?

Many high-priced pieces did not sell, even from Russia, although there were some strong prices, such as a **Libau-Hasenpöth 'narrow-gauge feederline' Co** 5% bond, 100 Rouble, Lipaja, Latvia 1898, which was actively bid for, rising to €3,300 from a €2,000 start. The highest Russian price was €5,000 (its start) for a **Wladikawkas Railway** 4% bond, 10,000-Rouble specimen, St Petersburg 1903. 42 of the 70 Russian lots did not sell. One of the Russian pieces was very much underestimated – a 1917 100-Rouble share of the **Printers Co-operative Peschatnoje Djulo**, Berdjansk, Ukraine, with a start price of €100. It rose to €1,600.



*This Thomas A Edison Inc share 1925,
signed by Edison as president, sold above
its start for €580 (\$735)*

1,217 lots were German. The North German regions, with 733 lots, always a feature at HSK, attracted some bidders in the room. A share in the fishing trawler **Carsten, of Geestemünde**, near Bremerhaven, 1907, fetched €1,600 (€1,000 start) and two other trawler shares from the same port sold for more than €1,000. Sugar company shares as well as papers from Braunschweig (Brunswick) were sought. The would-be auction highlight was an 1856 founders share of the **Disconto-Gesellschaft in Berlin**, later part of Deutsche Bank, but it remained unsold at €15,000.

LONDON COINS

Bracknell, February 28

This London Coin sale included 175 lots of scripophily of which 51% sold for a hammer total of £15,510 (€17,000/\$22,000), a better total but lower percentage than the December auction which sold 80%. Many of the unwanted lots were mixed lots of common certificates. The attendance was sparse but there was strong bidding from the room and the book on some lots.

The China section was well received with 43 of the 54 lots selling at strong prices. A **Treasury Bill of 1912** for 1,000 taels made £1,000 and a lot containing six **1913 Reorganisation Loan**, 2,045 mark denomination, sold for £2,000. By contrast the 39 Russia lots saw only 10 lots wanted. However these did include a **City of Nikolaef 1912 Loan, second series**, £500 denomination which sold for an impressive £2,300.

The British section saw 17 out of 28 lots selling. Of note were a **Stratford-upon-Avon Canal Navigation** certificate of 1823, not seen before, which sold for £320, and a **Durham & Sunderland Railway** share of 1834 at £220. The US section of 24 lots was very poor with only 6 lots finding buyers. Australians did well with two multiple lots selling well above estimate. A **Bank of Australia** share of 1833 had made the highest individual price in the December sale, £650.

HWPH

Munich, March 7

With 71% of their last auction's turnover consisting of Russian material, HWPH decided this time to focus entirely on the booming Russian market with a Russian-only sale, held during the Munich Numismata event, one of the largest coin shows in the world. The total sold came to €94,955 (£86,500/\$119,000). While the results are well below last year's performances for Russian scripophily, they are still better than the average overall auction results in Germany these days.

The catalogue was bilingual (Russian/German). It offered 319 Russian lots and included no fewer than 43 pieces with start prices at or above €1,000. Three out of four of these top pieces sold, including the two highest – a 10,000-rouble **Wladikawkas Railway** bond from 1919 and a previously unseen 10-share certificate of the **Moscow-Kazan Railway** 1900, each selling at its €4,500 start price. Unlike Russians in recent auctions, most pieces sold at or not much above their start prices. The average sales price was just 9% above the start price. A spectacular exception was the **South-Russian Co for Trade in Cattle and Dairy Produce** which went to €3,900 from €750 start.

In line with our recent predictions (*Scripophily* December 2008 – Market Analysis), the auction saw a cooling down but not a collapse of the Russian market. Not only fewer bid fights but also a lower percentage sold (55%) are indicators of this. The considerably higher percentage sold of the high-end pieces reflects a search for quality and rarity by Russian collectors.



This 1894 share in a metallurgical company from St Petersburg is unusually pictorial for Russian scripophily. While not especially rare, it still fetched €675 (up from €600 start)

Spectacularly above its start price was this share in the South-Russian Company for Trade in Cattle and Dairy Produce which sold for €3,900



HIWEPA

Basel, March 14

A nice basket of discoveries was presented by Thierry Stäuble for his 25th Jubilee event and, thanks to the low-reserve policy, 100% of the 285 lots were sold. The total came to CHF128,635 (€83,400/£76,800/\$108,800).

The highlight was a Swiss share of Fr400 dated 1830, the **Schauspielhaus in Basel** no 1! It sold for CHF10,000 (€6,500), the top price of the day. One of loveliest Swiss shares is the **Aktienbrauerei Thun** dated 1897, sold for CHF8,000 (€5,200). And there were more nice Swiss stocks! The casino-spa at Baden, **Kurhaus-Gesellschaft**, for example, a Fr200-share dated 1874, hammered at CHF6,000 (€3,900).

But the fireworks were not finished yet! The beautiful **Centennial International Exhibition** share, Philadelphia 1876, sold for CHF1,300 (\$1,100) and a **Staten Island Rail Road** share of 1864 signed by **William Henry Vanderbilt** went for CHF1,500 (\$1,270). Amongst Germans, a 200-Thaler share of **Vereinigte Königs- und Laurahütte Actien-Gesellschaft**, Berlin 1871, sold for CHF4,500 (€3,000). A top French piece was a rarely seen share of the **Sucrerie de Meinau, Strasbourg**, dated 1839. The founder of this sugar company was Charles-Louis Schulmeister, a spy for Napoleon Bonaparte during the French occupation of parts of Germany and Austria, well rewarded by the Emperor but later an unsuccessful businessman. This interesting story helped the share to reach CHF4,400 (€2,850). Last but not least, the highly decorative **Ancienne Manufacture Royale Draps Fins d'Abbeville**, Paris 1855, sold for CHF4,400 (€2,850).

Two mailbid auctions of lower-priced material, closing December 15 and March 16, realised CHF45,878 (€29,000/£27,000/\$39,000) with all except 8 of the 770 lots sold at an average price of €38. The top price was reached by cable car from Switzerland, a **Rheineck-Walzenhausen** bearer stock 1897, sold for CHF500. A special piece was a **Trans-Antarctic Expedition** 5-shilling certificate from 1956. This expedition was

organized by Sir Edmund Hillary (first to reach the summit of Mount Everest) and with his facsimile signature the certificate sold for CHF330 (£185).



This French sugar company was founded by one of Napoleon's spies. The 1839 share sold for CHF4,400



One of many highlights was this 1838 half-share, in French and German, of a coal mine, the Steinkohlen Bergwerke von Offenburg (Duchy of Baden). Sold for CHF7,700, it went back to Germany

BOONE

Antwerp, March 20-21

Boone's 42nd auction had two catalogues, both English-only as usual for this firm. One of them was a 'Best of the Best' catalogue of 500 worldwide pieces specially selected for rarity or design and priced from €500 to €30,000. The other was a 'normal' catalogue except that the countries were sequenced in reverse alpha order – simply to stir the readers' brain cells.

The auction's total sales set a world record for a retail scripophily auction when measured in today's weak dollars (\$883,000) or pounds (£605,000), and at €651,000 is in euros second only to the January 2001 Smythe sale when the dollar was strong and the euro weak. (The Reichsbank Hoard auctions exceeded these results but sold primarily into the wholesale market.) The total of the hammer prices was 15% above the total of their start prices.

A large Ottoman collection was catalogued in 427 lots but these were also offered as a single lot and sold as such to a German collector/dealer for €77,000, €2,000 above the start price. Interestingly the total of the 427 individual start prices was less than €77,000. Similarly a collection of 435 Russian bank pieces was catalogued into 53 lots but in the event sold as a single lot for €19,000, €1,500 above start price. After adjusting for these collections, the number of lots put to the hammer was 1,977 and 55% were sold.

BRITISH PRICE RECORD

The most ever bid for a British share certificate (in pounds though not in other currencies) was achieved by an 1830 share of the **Stockton & Darlington Railway** at its start price of €30,000 (£27,880), sold to Wertpapierwelt, the scripophily museum in Switzerland. However, two unissued of the same railway – one a previously unseen half-share – found no buyers at €8,000/€9,000. Likewise none of the five other early British railway shares was sold, including a **Liverpool & Manchester Railway** share in excellent condition and of the earliest possible date, 1826, offered at €19,000. A bridge too far for British collectors struggling against the collapse of the pound.



With Leen Boone on his right and a state supervisor on his left, multi-lingual auctioneer Guy Bertrand takes a winning bid from >>

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RUSSIAN PRICE RECORD

A record auction price for a Russian share, \$16,000, was paid for an 1839 founder's share of the **Warsaw-Vienna Railway**. An 1853 share in the earliest railway inside Russia itself, the **Zarsko-Selo**, attracted no bids at its start price of €22,000. Despite this disappointment, Russians were the best performers. The total of the hammer prices for the Russian lots sold was 26% above the total of their start prices. A **Wladikawkas Railway** 500-rouble 1912 made €2,500 from a start of €1,200, a **Konstancya AG** sugar factory share 1884 sold for €1,200 (start €950). Perhaps the auctioneer's biggest surprise came when an 1899 share of the **Manufacture des Draps de Narva** rose to €3,200 from a €600 start. An attractive 1909 share of the Belgian company **Novorossia SA** sold for €2,800 (start €2,400). City bonds also sold well, for example, **City of Saratoff** 1910 187.50-rouble sold for €4,200 (start €3,000) and **City of Sebastopol** 1910 187.50-rouble for €2,800 (start €2,000).



>> bidder #45, Joan Sardanyons from Spain

Russia was the largest section, 319 lots, and also shared with Poland the highest percentage sold at 66%. Of the other large sections, Italy, France, Spain and Portugal sold over 60%, and the rest were between 33% and 42%. A section of 39 Cubans included 32 banks that were offered both separately and as a collection and failed to sell in either guise, only one of the bank pieces eventually being sold, an 1857 share of the **Banco Español de la Habana**, for €300.

The US too did badly, with just 38% sold. Only the earliest banks and railroads sold at all well, with an 1822 **Farmers Bank of the State of Delaware** selling for its €500 start (\$680), an 1837 **Bank of the United States** also selling at its start (€700, \$950), an 1834 **Philadelphia Germantown & Norristown Rail Road** share going for €850 (\$1,150, start €600) and a **Lockport & Niagara Falls Rail-Road** bond for €600 start (\$810). A section of 16 railroad bonds priced from €500 to €2,500 totally failed.

Spanish 18th century companies did quite well with the **Guadalcanal**, **Extremadura**, **Sevilla** and two **Marítima** companies selling in the range €2,900 to €6,500, some above their start prices, but the generally less expensive **Caracas**, **Zaragoza**, **San Carlos** and **Hoppensak** were left unsold.

Despite the failures mentioned, the sale broke records. 12 pieces sold for more than €5,000, split more or less equally between France, Russia and Spain. A further 95 sold between €1,000 and €5,000, 30 of them Russian. These heavyweights alone would have been enough to make this auction the biggest this year so far.



Fine share in Philadelphia's New Theatre, undated but believed to be from 1791, the earliest known American vignetted share and the earliest known American theatre share, issued to and signed as president by Clement Biddle. Sold for its starting €5,500 (\$7,460)



A share in the Fred Brdlik Meat Packing Co, London 1914. Exceptionally colourful for a British piece. The reverse carries the same certificate but in Czech. The piece has dividend coupons and tax stamps of both Britain and Austria-Hungary. Sold for €650 (£604, start €500)



Rare and very large – a 5,000-rouble founders share in the Polish Rosenblatt cotton-mill company, 1893. Only 200 were issued. Sold for its starting €6,000



Again rare and of very large format – a 1922 share in the first urban bus network in Barcelona – sold for €1,800

Another very unusual design, this time for a Belgian barge-towing company, **L Masy et Cie**, founded 1895. Only two of these shares are known to the auctioneer. Sold at start €800